

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

FILED
JUN 23 2005
EUGENE R. WEDOFF
BANKRUPTCY JUDGE

In re:

Café Rumba, LLC,
Debtor.

Case No. 04 B 26494
Chapter 11

In re:

West Hubbard Partners, Inc.,
Debtor.

Case No. 04 B 40107
Chapter 11

**FINDINGS OF FACT AND CONCLUSIONS OF LAW IN SUPPORT OF ORDER AWARDING TO
CRANE, HEYMAN, SIMON, WELCH & CLAR, ATTORNEYS FOR THE DEBTOR, FOR ALLOWANCE
AND PAYMENT OF FINAL COMPENSATION AND REIMBURSEMENT OF EXPENSES**

TOTAL FEES REQUESTED: \$48,322.00
TOTAL FEES REDUCED: \$2,543.00
TOTAL FEES ALLOWED: \$45,779.00

TOTAL COSTS REQUESTED: \$1,527.13
TOTAL COSTS REDUCED: \$142.50
TOTAL COSTS ALLOWED: \$1,384.63

TOTAL FEES AND COSTS ALLOWED: \$47,163.63

THE COURT HAS UNDERLINED THE ATTACHED TIME AND EXPENSE ENTRIES THAT HAVE BEEN DISALLOWED IN WHOLE OR IN PART. THE BASIS FOR EACH DISALLOWANCE IS DISCLOSED BY THE NUMERICAL NOTATION THAT APPEARS ON THE LEFT SIDE OF EACH HIGHLIGHTED ENTRY. THE NUMERICAL NOTATIONS REFER TO THE ENUMERATED PARAGRAPHS BELOW.

(1) Unreasonable Time

The Court denies the allowance in part of compensation for the following task since the professional or paraprofessional expended an unreasonable amount of time on this task in light of the nature of the task, the experience and knowledge of the professional performing the task, and the amount of time previously expended by the professional or another on the task. *In re Pettibone*, 74 B.R. 293, 306 (Bankr.N.D.Ill. 1987) ("The Court will determine what is the reasonable amount of time an attorney should have to spend on a given project...An attorney should not be rewarded for inefficiency. Similarly, attorneys will not be fully compensated for spending an unreasonable number of hours on activities of little benefit to the estate." *In re Wildman*, 72 B.R. 700, 713 (Bankr.N.D.Ill. 1987) (same).

(2) Lumping

The Court may impose a ten percent penalty for "lumping." *In re Wildman*, 72 B.R. 700, 709 (Bankr. N.D.Ill. 1987) ("Applicants may not circumvent the minimum time requirement or any of the requirements of detail by "lumping" a bunch of activities into a single entry. [citation omitted]. Each type of service should be listed with the corresponding specific time allotment.").

(3) **Insufficient Description**

The Court denies the allowance of compensation for the following task since the description of the time entry fails to identify in a reasonable manner the service rendered. *In re Pettibone*, 74 B.R. 293, 301 (Bankr.N.D.Ill. 1987) ("A proper fee application must list each activity, its date, the attorney who performed the work, a description of the nature and substance of the work performed, and the time spent on the work. [Citation omitted] Records which give no explanation of the activities performed are not compensable."); *In re Wildman*, 72 B.R. 700, 708-9 (Bankr.N.D.Ill. 1987) (same).

Dated: June 23, 2005


Eugene R. Wedoff
United States Bankruptcy Court

<u>DATE</u>	<u>COMMENT</u>	<u>ATTY</u>	<u>HOURS</u>
07/05/04	Met with E. Rios, F. Carranza and L. Fernandez re: Chapter 11 case.	SRC	2.50
07/16/04	Telephone conferences with L. Fernandez re: list of creditors.	SRC	0.20
07/21/04	Telephone conference with R. Bergen representing Construction Services.	SRC	0.20
07/22/04	Drafting of Motion to Extend Time to File Schedules and Statement of Financial Affairs	JCD	0.60
07/27/04	Drafting of Motion to Provide Adequate Assurance re: Utility Service	JCD	0.70
07/29/04	Appeared before Judge Wedoff re: motion to extend time to file schedules.	SRC	0.50
	Drafting of Order Regarding Commonwealth Edison (Section 366(b) order.	JCD	0.20
08/06/04	Draft motions to employ Seyfarth Shaw and Webster Wilcox as special counsel.	SRC	1.80
08/10/04	Correspondence to E. Rios re: CIT equipment lease.	SRC	0.20
08/12/04	Telephone conference with E. Rios re: deposits for holiday season.	SRC	0.20
	Correspondence to E. Rios re: employment of special counsel.	SRC	0.20
①	Appeared before J. Wedoff re: motions to employ counsel.	SRC	1.00
08/20/04	Telephone conference with Fernando re: schedules.	SRC	0.20
08/23/04	Telephone conferences with Fernando and review and analysis of schedules.	SRC	0.50
	Draft schedules and statement of affairs.	SRC	2.30
08/24/04	Prepared for and attended first meeting of creditors.	SRC	2.50
②	Review and revise schedules and statement of financial affairs and telephone conference with Fernando and Edwin re: same.	SRC	1.50

	Telephone conference with E. Rios re: schedules and statement of financial affairs.	SRC	0.60
	Review and revise schedules and statement of financial affairs.	SRC	1.70
① 09/07/04	Appear in Court on return date re; payment of retainers to special counsel	GRH	0.80
09/17/04	Review and analysis of monthly reports.	SRC	0.50
	Telephone conference with Vivian Rios and correspondence to Edwin re: monthly reports.	SRC	0.50
09/21/04	Draft motions to employ L & F Accounting as accountants and Fernando Carranza as special counsel.	SRC	1.70
09/22/04	Review and revise motions to employ L&F and Fernando Carranza.	SRC	0.50
	Telephone conference with F. Carranza re: retention of accountant.	SRC	0.20
09/28/04	Telephone conference with F. Pendergast re: employment of F. Carranza as special counsel.	SRC	0.20
① 10/05/04	Appeared before Judge Wedoff on motion to employ special counsel.	SRC	1.00
① 10/26/04	Appear in Court for Notice to Pay Retainer to Accountant and Special Counsel	GRH	0.80
11/11/04	Telephone conference with L. Fernandez re: September monthly report.	SRC	0.20
11/15/04	Review and analysis of Webster Wilcox invoices.	SRC	0.30
	Telephone conference with F. Carranza re: status of monthly report issue.	SRC	0.20
11/18/04	Telephone conferences with N. Okonafor-Johns and correspondence to E. Rios re: monthly reports.	SRC	0.50
	Draft correspondence to E. Rios re: lack of communication.	SRC	0.30
	Draft motion to set bar date.	SRC	1.20
11/22/04	Telephone conference with E. Rios re: monthly reports.	SRC	0.50

① 11/30/04	Appear in court to present Motion to Set Bar Date.	GRH	0.80
	Correspondence to E. Rios re: October monthly report.	SRC	0.20
12/03/04	Review and analysis of October monthly report.	SRC	0.20
② 01/19/05	Correspondence to Edwin and Fernando re: financial reporting; telephone call to S. Wood re: status of Ch. 11 case and OP settlement.	SRC	0.50
01/20/05	Review and analysis of monthly reports in preparation for meeting.	SRC	1.00
	Telephone conference with J. Karras re: meeting to discuss Chapter 11 case.	SRC	0.20
01/24/05	Telephone conference with J. Karras re: status of Chapter 11.	SRC	0.20
01/25/05	Review and analysis of December monthly report.	SRC	0.20
02/01/05	Telephone conference with F. Carranza re: shareholder loans.	SRC	0.20
02/17/05	Telephone conference with S. Wood re: status of Chapter 11.	SRC	0.20
02/28/05	Review and analysis of monthly report.	SRC	0.50
03/22/05	Review and analysis of monthly report.	SRC	0.20
04/25/05	Correspondence to Edwin and Fernando re: monthly reports.	SRC	0.20
04/28/05	Correspondence re: monthly reports to Edwin and Fernando.	SRC	0.30
	Review and analysis of March monthly report.	SRC	0.20
Total:			32.10

<u>DATE</u>	<u>COMMENT</u>	<u>ATTY</u>	<u>HOURS</u>
07/16/04	Met with E. Rios, prepared and reviewed motion for use of cash collateral, corporate resolution, motion to pay pre-petition payroll, petition and motion to be employed.	SRC	7.30
07/18/04	Review and analysis of list of creditors and telephone calls to and from E. Rios re: same.	SRC	0.30
07/19/04	Telephone conference with J. Hyman re: representation of secured creditor.	SRC	0.20
07/21/04	Telephone conference with J. Hyman re: cash collateral order.	SRC	0.20
07/22/04	Prepared for and attended hearing re: use of cash collateral, motion to employ attorneys, motion to pay pre-petition payroll and motion to lift stay.	SRC	2.50
	Prepared Edwin Rios for cash collateral hearing.	SRC	1.00
07/27/04	Telephone conference with F. Pendergast re: Cosmopolitan Bank secured claim.	SRC	0.20
08/02/04	Telephone conference with E. Rios re: budget for cash collateral order.	SRC	0.20
08/03/04	Draft of second order authorizing use of cash collateral.	SRC	0.50
	Met with Edwin re: hearing on use of cash collateral; telephone conferences with J. Hyman and F. Pendergast re: same.	SRC	1.20
08/31/04	Telephone conferences with J. Hyman and F. Pendergast re: cash collateral order.	SRC	0.50
	Telephone conference with E. Rios re: cash collateral order.	SRC	0.20
	Appeared before Judge Wedoff re: status and use of cash collateral.	SRC	0.70
09/01/04	Review and revise 3d cash collateral order.	SRC	0.30
	Telephone conference with E. Rios re: 3d cash collateral order.	SRC	0.20

<u>DATE</u>	<u>COMMENT</u>	<u>ATTY</u>	<u>HOURS</u>
07/19/04	Research re: lease termination waiver issue.	AGS	0.50
	Telephone conferences with F. Carranza re: OP motion to lift stay.	SRC	0.50
	Telephone conferences with E. Rios and B. Chatz re: motion to modify stay.	SRC	0.40
07/20/04	Telephone conference with B. Chatz and J. Lasky re: motion to modify stay.	SRC	0.50
07/21/04	Telephone conference with F. Carranza re: landlord motion to lift stay.	SRC	0.20
	Review and analysis of research re: reinstatement of lease.	SRC	0.70
07/22/04	Telephone conferences with Edwin and Fernando re: OP motion to lift stay.	SRC	0.50
07/26/04	Review and revise response to motion to lift stay.	SRC	1.40
③	Telephone conference with B. Chatz re: telephone meeting with B. Chatz.	SRC	0.20
	Continued draft of response to motion to lift stay.	SRC	2.20
07/27/04	Telephone conference with F. Carranza re: OP motion to lift stay.	SRC	0.20
07/29/04	Telephone conferences with Edwin and Fernando re: response to motion to lift stay.	SRC	0.50
08/02/04	Telephone conference with S. Wood re: motion to lift stay.	SRC	0.20
	Telephone conference with Fernando Carranza re: OP motion to modify stay.	SRC	0.20
① 08/03/04	Appeared before Judge Wedoff re: OP motion to lift stay and motion to employ attorneys.	SRC	1.00
08/04/04	Telephone conference with F. Carranza re: jury demand in OP lawsuit.	SRC	0.20
08/05/04	Telephone conferences with E. Kahn, M. Hubbard and F. Carranza re: motion to vacate order of possession.	SRC	0.70

08/09/04	Telephone conference with E. Rios re: state court action.	SRC	0.20
08/23/04	Telephone conference with S. Wood re: state court litigation.	SRC	0.30
08/24/04	Telephone conferences with E. Kahn and S. Wood re: motion to vacate.	SRC	0.50
	Telephone conferences with M. Stein re: vacating order granting possession.	SRC	0.30
	Telephone conferences with E. Rios re: meeting with landlord and telephone conferences with S. Wood re: same.	SRC	0.30
08/27/04	Telephone conference with S. Wood re: state court litigation.	SRC	0.30
08/31/04	Draft of motion and order re: extension of time to assume or rejection of unexpired lease for non-residential real property.	SRC	1.10
09/01/04	Review and analysis of answer and affirmative defenses re: forcible detainer action.	SRC	0.30
	Telephone conference with S. Wood re: answer in State Court.	SRC	0.20
09/08/04	Telephone conference with S. Wood re: result of state court proceeding.	SRC	0.20
① 09/09/04	Appeared before Judge Schwartz re: motion to extend time to assume or reject leases.	SRC	1.00
09/10/04	Telephone conference with S. Wood re: status of OP litigation.	SRC	0.50
09/21/04	Telephone conference with F. Carranza re: settlement with OP, LLC.	SRC	0.30
09/22/04	Telephone conference with S. Wood re: settlement with OP.	SRC	0.20
11/03/04	Draft, review and revise motion to extend time re: lease.	SRC	1.00
11/05/04	Participated in conference call re: status of bankruptcy and state court litigation.	SRC	0.70
11/11/04	Telephone conference with S. Wood re: status of State Court litigation.	SRC	0.50

<u>DATE</u>	<u>COMMENT</u>	<u>ATTY</u>	<u>HOURS</u>
11/03/04	Draft, review and revise motion to extend time re: plan.	SRC	1.50
11/04/04	Review and revise motions to extend time to file plan and to assume or reject lease.	SRC	0.50
11/09/04	Appeared before Judge Wedoff re: motions to extend time to file plan and to assume or reject lease.	SRC	0.50
11/13/04	Telephone conference with F. Carranza re: framework for plan of reorganization.	SRC	0.30
① 12/09/04	Appeared before Judge Wedoff re: Webster Wilcox application and the motions to extend re: plan and lease.	SRC	1.50
③ ①	Status re: plan of reorganization and motion to extend time to assume or reject lease.	SRC	0.60
12/15/04	Telephone conference with F. Carranza re: status of plan.	SRC	0.20
01/04/05	Telephone conference with F. Carranza re: plan of reorganization.	SRC	0.50
01/05/05	Draft motions to extend time re: lease and plan.	SRC	1.00
01/06/05	Review and revise motions to extend time re: plan and lease.	SRC	0.50
01/07/05	Correspondence to Edwin and Fernando re: plan and lease issues.	SRC	0.50
01/10/05	Review and analysis of correspondence to F. Carranza re: plan.	SRC	0.50
01/12/05	Telephone conference with S. Wood re: plan.	SRC	0.20
① 01/13/05	Appeared before Judge Wedoff re: motions to extend time re: plan and to assume or reject lease and status of cash collateral.	SRC	1.10
01/20/05	Telephone conference with F. Carranza re: meeting @ Seyfarth re: plan.	SRC	0.20
01/25/05	Telephone conference with E. Rios re: plan structure.	SRC	0.20
	Review and analysis of "creditor work-out schedule."	SRC	0.20

	Telephone conference with E. Rios re: plan and disclosure statement.	SRC	0.20
03/02/05	Telephone conference with F. Dolgin re: disclosure statement.	SRC	0.20
03/09/05	Telephone conference with B. Scalambrino re: objections to plan.	SRC	0.20
03/15/05	Telephone conference with J. Karras re: status of plan.	SRC	0.20
03/18/05	Telephone conference with E. Rios re: claims of Thompson and Walton.	SRC	0.30
	Telephone conference with F. Carranza re: individuals.	SRC	0.30
03/23/05	Review and analysis of claims register.	SRC	0.20
	Telephone conference with F. Carranza re: objection to claims.	SRC	0.30
	Telephone conference with C. Gulden re: status of plan and disclosure statement.	SRC	0.20
03/24/05	Prepared for and attended status re: plan and disclosure statement.	SRC	1.30
	Draft notice re: combined hearing on adequacy of disclosure statement and confirmation of plan.	SRC	0.50
	Telephone conference with Fernando re: hearing on confirmation.	SRC	0.20
03/25/05	Telephone conference with F. Carranza and correspondence to Edwin and Fernando re: status.	SRC	0.50
04/06/05	Telephone conference with S. Wood re: status of plan.	SRC	0.30
04/07/05	Telephone conference with Fernando re: plan issues.	SRC	0.50
	Review and revise plan and disclosure statement.	SRC	1.50
	Interoffice conference with A. Simon re: research on substantive consolidation.	SRC	0.50
②	Review and revise plan and disclosure statement and telephone call to Faith and Fernando.	SRC	1.50

<u>DATE</u>	<u>COMMENT</u>	<u>ATTY</u>	<u>HOURS</u>
11/15/04	Draft first application for compensation for Webster Wilcox as special counsel.	SRC	1.30
11/16/04	Review and revise first application for compensation of Webster Wilcox.	SRC	0.50
11/18/04	Telephone conference with B. Patullo re: Webster Wilcox fee application.	SRC	0.20
① 12/09/04	Appeared before Judge Wedoff re: Webster Wilcox fee application.	SRC	0.80
12/14/04	Telephone conferences with J. Hyman and S. Wood re: Seyfarth fee application.	SRC	0.30
① 12/16/04	Appeared before Judge Wedoff re: Seyfarth fee application.	SRC	1.00
05/20/05	Began draft of fee application.	SRC	2.80
Total:			6.90

EXPENSES

5/05/05	Postage re: ballot report (13 x .60)	7.80
7/20/04	Postage re: emergency cash collateral, emergency payroll (26 x 1.29)	33.54
7/30/04	1 Fed Ex sent to consulting/construction service, Inv. 1917 41701	23.20
7/22/04	Postage re: extend time file schedules (5 x .60)	3.00
7/22/04	Postage re: amend Notice of Motion (26 x .37)	9.62
7/27/04	Postage re: motion for continued utility service (15 x .83)	12.45
7/28/04	Postage re: order authorizing payment of pre-petition payroll (28 x .37)	10.36
7/29/04	Postage re: order extending time to file schedules (6 x .37)	2.22
7/29/04	Postage re: response (4 x 1.06)	4.24
8/03/04	Postage re: cash collateral; 2 utility motions and employ CHSW&C (6 x .60) (10 x .37) (21 x .37)	17.83
8/05/04	Postage re: 2nd order auth. Int. Use of cash collateral (28 x .37)	10.36
8/10/04	Postage re: employ Webster et al., Seyfarth et al. (6 x 1.06) (2 x .83)	8.02
8/12/04	Postage re:(2) notices re: pre-petition retainer (38 x .37)	14.06
8/13/04	Postage re:(2) notices of hearing (3 x .37)	2.96
9/3/04	Postage re: assume/reject lease (6 x .60)	3.60
9/24/04	Postage re: monthly reports (1 x 2.29)	2.21
9/24/04	Postage re: motions to employ (2 x .83) (6 x 1.06)	8.02
10/5/04	Postage re: notice of hearing employ L&F and Carranza	2.59
10/7/04	Postage re: notice of hearing (7 x .37)	2.59
10/7/04	Postage re: amended affidavit of Carranza (6 x .37)	2.22
11/04/04	Postage re: assume/reject lease 2 nd , ext. time file plan (9 x .83)	7.47
11/05/04	Postage re: re: West Hubbard - employ CHSW&C (9 x .60)	5.40
⑤ 11/16/04	CSC Inv. #46S19179	125.00
11/18/04	Postage re: bar date motion (11 x .60)	6.60
11/18/04	Postage re: amend Wilcox fee notice (41 x .37)	15.17
11/16/04	Postage re: fee app. Webster and Notice (11 x 1.06)(30 x .37)	34.98
12/1/04	Postage re: Sept. MOR (1 x 1.52)	1.52
12/01/04	Postage re: order and notice re: bar date (41 x .37)	15.17
12/6/04	Postage re: Oct. MOR (1 x 1.29)	1.29
1/6/05	Postage re:assume reject lease and Obt. Acc. Plan (11 x 1.06)	11.66
1/12/05	Postage re: MOR (4 x 1.29)	5.16
1/13/05	Postage re: West Hubbard Schedules (4 x 1.29)	5.16
2/2/05	Postage re: MOR	1.52
③ 2/11/05	Illinois Attorney General	17.50
2/11/05	Postage re: Assume/Reject lease and approve settlement agr. (13 x .60)	7.80
2/28/05	Postage re:Plan and disclosure statement (13 x 3.13)	40.69

